RECEIVED



2014 JAN - 3 PM 12: 44

DONOVAN E. WALKER Lead Counsel dwalker@idahopower.com IDAHO PUBLIC UTILITIES COMMISSICI

January 3, 2014

VIA HAND DELIVERY

Jean D. Jewell, Secretary Idaho Public Utilities Commission 472 West Washington Street Boise, Idaho 83702

Re:

Case No. IPC-E-13-24

Bannock County Solid Waste Department, Landfill Gas to Energy Project

Replacement Pages for Energy Sales Agreement ("ESA")

Dear Ms. Jewell:

Enclosed as Attachment 1 please find a replacement Appendix E, consisting of pages 47, 48, and 49, to the ESA between Idaho Power Company and Bannock County Solid Waste Department in the above-referenced matter. Also, enclosed as Attachment 2 please find a letter agreement, signed by the Bannock County Commissioners, agreeing to the submission of the replacement Appendix E, pages 47, 48, and 49, of the ESA.

Thank you for your attention to this correction to the above-referenced filing. I apologize for any inconvenience this may cause.

Very truly yours,

Donovan E. Walker

DEW:csb Enclosures

CC:

Rick Sterling (w/encls.)

Randy Allphin (w/encls.) Service List (w/encls.)

ATTACHMENT 1

APPENDIX E

OTHER FACILITY ENERGY PRICES

E-1 Base Energy Heavy Load Purchase Price – For all Base Energy received during Heavy Load Hours, Idaho Power will pay the non-levelized energy price in accordance with Commission Order 32817 dated May, 29, 2013 with seasonalization factors applied:

| | Season 1 - (73.50 %) | Season 2 - (120.00 %) | Season 3 - (100.00 %) |
|------|----------------------|-----------------------|-----------------------|
| Year | Mills/kWh | Mills/kWh | Mills/kWh |
| | | | |
| 2013 | 22.82 | 37.26 | 31.05 |
| 2014 | 33.51 | 54.71 | 45.59 |
| 2015 | 39.44 | 64.39 | 53.65 |
| 2016 | 43.25 | 70.62 | 58.85 |
| 2017 | 45.38 | 74.08 | 61.74 |
| 2018 | 48.09 | 78.51 | 65.42 |
| 2019 | 50.07 | 81.75 | 68.12 |
| 2020 | 51.70 | 84.41 | 70.34 |
| 2021 | 54.14 | 88.39 | 73.66 |
| 2022 | 56.93 | 92.95 | 77.46 |
| 2023 | 59.30 | 96.82 | 80.69 |
| 2024 | 60.51 | 98.79 | 82.32 |
| 2025 | 61.77 | 100.85 | 84.04 |
| 2026 | 63.00 | 102.86 | 85.72 |
| 2027 | 63.94 | 104.39 | 86.99 |
| 2028 | 65.46 | 106.87 | 89.06 |
| 2029 | 67.13 | 109.59 | 91.33 |
| 2030 | 68.82 | 112.37 | 93.64 |
| 2031 | 70.88 | 115.72 | 96.43 |
| 2032 | 73.22 | 119.55 | 99.63 |
| 2033 | 75.68 | 123.55 | 102.96 |
| 2034 | 78.86 | 128.75 | 107.29 |
| 2035 | 82.79 | 135.17 | 112.64 |
| | | | |

APPENDIX E

OTHER FACILITY ENERGY PRICES

E-2 Base Energy Light Load Purchase Price – For all Base Energy received during Light Load Hours,
Idaho Power will pay the non-levelized energy price in accordance with Commission Order
32817 dated May, 29, 2013 with seasonalization factors applied:

| Year | Season 1 - (73.50 %) Mills/kWh | Season 2 - (120.00 %) Mills/kWh | Season 3 - (100.00 %) Mills/kWh |
|------|-----------------------------------|------------------------------------|------------------------------------|
| 2013 | 17.47 | 28.52 | 23.77 |
| 2014 | 28.16 | 45.98 | 38.31 |
| 2015 | 34.09 | 55.65 | 46.37 |
| 2016 | 37.90 | 61.88 | 51.57 |
| 2017 | 40.03 | 65.35 | 54.46 |
| 2018 | 42.74 | 69.77 | 58.14 |
| 2019 | 44.72 | 73.01 | 60.84 |
| 2020 | 46.35 | 75.68 | 63.06 |
| 2021 | 48.79 | 79.66 | 66.38 |
| 2022 | 51.58 | 84.22 | 70.18 |
| 2023 | 53.95 | 88.09 | 73.41 |
| 2024 | 55.16 | 90.05 | 75.04 |
| 2025 | 56.42 | 92.11 | 76.76 |
| 2026 | 57.65 | 94.12 | 78.44 |
| 2027 | 58.59 | 95.66 | 79.71 |
| 2028 | 60.11 | 98.13 | 81.78 |
| 2029 | 61.77 | 100.86 | 84.05 |
| 2030 | 63.47 | 103.63 | 86.36 |
| 2031 | 65.53 | 106.98 | 89.15 |
| 2032 | 67.87 | 110.81 | 92.35 |
| 2033 | 70.33 | 114.82 | 95.68 |
| 2034 | 73.51 | 120.01 | 100.01 |
| 2035 | 77.44 | 126.44 | 105.36 |

APPENDIX E

OTHER FACILITY ENERGY PRICES

E-3 <u>All Hours Energy Price</u> – The price to be used in the calculation of the Surplus Energy Price and Delay Damage Price shall be the non-levelized energy price in accordance with Commission Order 32817 dated May, 29, 2013 with seasonalization factors applied:

| ** | Season 1 - (73.50 %) | Season 2 - (120.00 %) | Season 3 - (100.00 %) |
|------|----------------------|-----------------------|-----------------------|
| Year | Mills/kWh | Mills/kWh | Mills/kWh |
| 2013 | 20.44 | 33.37 | 27.81 |
| 2014 | 31.13 | 50.82 | 42.35 |
| 2015 | 37.05 | 60.50 | 50.41 |
| 2016 | 40.87 | 66.73 | 55.61 |
| 2017 | 42.99 | 70.20 | 58.50 |
| 2018 | 45.70 | 74.62 | 62.18 |
| 2019 | 47.69 | 77.86 | 64.88 |
| 2020 | 49.32 | 80.52 | 67.10 |
| 2021 | 51.76 | 84.50 | 70.42 |
| 2022 | 54.55 | 89.07 | 74.22 |
| 2023 | 56.92 | 92.94 | 77.45 |
| 2024 | 58.13 | 94.90 | 79.08 |
| 2025 | 59.39 | 96.96 | 80.80 |
| 2026 | 60.62 | 98.97 | 82.48 |
| 2027 | 61.56 | 100.50 | 83.75 |
| 2028 | 63.08 | 102.98 | 85.82 |
| 2029 | 64.74 | 105.71 | 88.09 |
| 2030 | 66.44 | 108.48 | 90.40 |
| 2031 | 68.50 | 111.83 | 93.19 |
| 2032 | 70.84 | 115.66 | 96.39 |
| 2033 | 73.30 | 119.67 | 99.72 |
| 2034 | 76.48 | 124.86 | 104.05 |
| 2035 | 80.41 | 131.28 | 109.40 |

ATTACHMENT 2



December 23, 2013

Therese Marchetti Regulatory Compliance Manager Bannock County Public Works Department 1500 N. Fort Hall Mine Road Pocatello, ID 83204

Sent Via: Email (theresem@bannockcounty.us), Certified Mail

Subject: Bannock County Landfill Gas - Project #41365515

Dear Ms. Marchetti,

As you are aware, Idaho Power has submitted an application to the Idaho Public Utilities Commission (IPUC) seeking final approval of the Energy Sales Agreement (Agreement) between Idaho Power Company and Bannock County for the Bannock County Landfill Gas Energy Project (IPUC Case No. IPC-E-13-24). During their review of the application, the IPUC Staff has identified incorrect pricing applicable only to the year 2014 within Appendix E of the Agreement. In order to update the pricing, Idaho Power must submit a revised Appendix E consisting of pages 47-49 of the Agreement as attached to this letter. As you can see, these updated prices are all higher. The revised pages will include the following prices for year 2014, all other prices within Appendix E will remain unchanged:

E-1 <u>Base Energy Heavy Load Purchase Price</u> – For all Base Energy received during Heavy Load Hours, Idaho Power will pay the non-levelized energy price in accordance with Commission Order 32817 dated May, 29, 2013 with seasonalization factors applied:

| Year | Season 1 - (73.50 %) | Season 2 - (120.00 %) | Season 3 - (100.00 %) |
|------|------------------------|-----------------------|-----------------------|
| | Mills/kWh | Mills/kWh | Mills/kWh |
| 2014 | 25.31 33.51 | 41.3354.71 | 34.4445.59 |

E-2 <u>Base Energy Light Load Purchase Price</u> – For all Base Energy received during Light Load Hours, Idaho Power will pay the non-levelized energy price in accordance with Commission Order 32817 dated May, 29, 2013 with seasonalization factors applied:

| Year | Season 1 - (73.50 %) | Season 2 - (120.00 %) | Season 3 - (100.00 %) |
|------|-------------------------------|-------------------------------|------------------------|
| | Mills/kWh | Mills/kWh | Mills/kWh |
| 2014 | 19.96 <u>28.16</u> | 32.59 <u>45.98</u> | 27.16 38.31 |

E-3 <u>All Hours Energy Price</u> – The price to be used in the calculation of the Surplus Energy Price and Delay Damage Price shall be the non-levelized energy price in accordance with Commission Order 32817 dated May, 29, 2013 with seasonalization factors applied:

| Year | Season 1 - (73.50 %) | Season 2 - (120.00 %) | Season 3 - (100.00 %) |
|------|----------------------|-------------------------------|-----------------------|
| | Mills/kWh | Mills/kWh | Mills/kWh |
| 2014 | 22.9331.13 | 37.44 <u>50.82</u> | <u>31.2042.35</u> |

With your agreement, Idaho Power will submit to the IPUC the attached revised Appendix E to the Energy Sales Agreement application.

Please execute this letter in the appropriate space provided below indicating your express agreement with the prices to be included in Appendix E of the Agreement. Please return an original signed copy of this letter to Idaho Power which will be included with the revised Appendix E to the Agreement submitted to the IPUC.

Printed Name: Karl E. Anderson

Title: Bannock County Commissioner (Chairman)

Signature: 12 31-13

Printed Name: Steve Hadley

Title: Bannock County Commissioner

Signature: Atua Madley

Date: 12-31-13

Agreed, Understood and Accepted:

| P | rinted | Name: | Howard | M | anwaring |
|---|--------|-------|--------|---|----------|
| | | | | | |

Title:

Date:

Bannock County Commissioner

Signature:

31 Dec 2013

Please contact me if you have any questions.

Sincerely,

Michael Darrington

Sr. Energy Contracts Coordinator

Idaho Power Company

Work 208-388-5946

Email mdarrington@idahopower.com

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 3rd day of January 2014 I served a true and correct copy of the within and foregoing LETTER TO JEAN D. JEWELL DATED JANUARY 3, 2014, upon the following named parties by the method indicated below, and addressed to the following:

| Commission Staff Weldon B. Stutzman Deputy Attorney General Idaho Public Utilities Commission 472 West Washington (83702) P.O. Box 83720 Boise, Idaho 83720-0074 | X_ Hand DeliveredU.S. MailOvernight MailFAXX_ Email weldon.stutzman@puc.idaho.gov |
|--|---|
| Therese Marchetti Regulatory Compliance Manager Bannock County Public Works Department 1500 North Fort Hall Mine Road Pocatello, Idaho 83204 | Hand Delivered X U.S. Mail Overnight Mail FAX X Email theresem@bannockcounty.us |
| | Christa Bearry, Legal Assistant |